

Committee: Planning & Licensing Committee	Date: 22 November 2022
Subject: Housing Delivery and Supply Monitoring Update	Wards Affected: All
Report of: Phil Drane, Director of Place	Public
Report Author/s: Name: Camilla Carruthers, Policy Planner Telephone: 01277 312652 E-mail: camilla.carruthers@brentwood.gov.uk	For Information

Summary

There is a legal requirement for the Council to monitor housing completions and the impact on the 'Five Year Land Supply' of sites for future housing.

This report provides a summary of housing delivery and supply monitoring information to the year ending 31 March 2022. The report briefs Members on the publication and implications of this updated information.

The focus of the report is centred on three core monitoring updates:

- Themes related to housing supply and delivery for the period 2021/22 (Appendix A);
- The five-year housing land supply position at April 2022 (Appendix B & C); and
- The Council's position in relation to the Housing Delivery Test (Appendix D).

Main Report

Introduction and Background

1. Monitoring is a vital process of planning and policy making. It reports on what is happening now and what may happen in the future. The Localism Act (2011) places a requirement to prepare an annual report to review the performance of its policies and the extent to which targets are being achieved in the council's Local Plan. Under the provisions of the Localism Act 2011, the council must make their monitoring report available to the public.
2. In March 2022 the council adopted the Brentwood Local Plan 2016-2033. This now forms part of the statutory development plan and supersedes the Brentwood Replacement Local Plan 2005.
3. As this monitoring update covers the 12-month period up to 31 March 2022, where required this draws upon the established structure of previous monitoring themes associated with the now revoked Brentwood Replacement Local Plan 2005. It is worth noting that this will be the last monitoring update produced in this format.

4. In future monitoring updates, all local plan policies will be monitored in line with the 'Monitoring Framework' set out in Appendix 3 of the Brentwood Local Plan 2016-2033.
5. This monitoring update provides vital information about the effectiveness of local plan policies and the extent to which they are successful in achieving the council's strategic aims for the borough, as well as helping to inform policy directions in the local plan review.

Issue, Options and Analysis of Options

6. This report is based upon three specific areas of housing related monitoring information, as detailed below.

Monitoring update on housing delivery 2021/22

7. The monitoring update on housing delivery (Appendix A), is a factual document based on established monitoring themes. Key findings are summarised as follows.
 - a) The gross number of new homes completed in the period 2021/22 was 454, with a net gain of 407 new homes. This marks a significant uplift from past completion trends.
 - b) 279 of the new homes (gross) were completed on large sites (sites of 10 or more units) and 175 homes (gross) were completed on small sites.
 - c) 96% of gross completions were built on previously developed land (PDL). This figure is reflective of recent trends in the borough.
 - d) The total dwellings delivered via change of use permitted development rights for this monitoring year accounts for 53% (217 dwellings) of total (net) completions. This has primarily been a result of office to residential conversions.
 - e) In terms of supply, prior approvals account for 41.5% (642 dwellings) of total housing supply (as at 1 April 2022).
 - f) 7 of the 407 (net) new completed dwellings (1.7%) were affordable dwellings, falling significantly short of the annual estimate of affordable housing need in the borough, which is calculated as 107 households per year.

- g) When taken as a percentage of total completions, windfalls account for 45% of net completions between 2009 and 2021/22.
- h) Within the monitoring period a total of 82 residential care home spaces (use class C2) have been completed.
- i) The required five-year supply of deliverable land for traveller accommodation has been met.

Five-year housing land supply position statement as at 1 April 2022

- 8. The Council is required to assess annually its five-year housing land supply. This is an assessment of whether the projected levels of future house building, taking into account what has been built in the past, is sufficient to meet the levels of housing required by the local plan for the next five years.
- 9. The National Planning Policy Framework (NPPF), Paragraph 74, states:

“...Local planning authorities should identify and update annually a supply of specific deliverable sites sufficient to provide a minimum of five years’ worth of housing against their housing requirement set out in adopted strategic policies, or against their local housing need where the strategic policies are more than five years old. The supply of specific deliverable sites should in addition include a buffer (moved forward from later in the plan period) of:

 - a) 5% to ensure choice and competition in the market for land; or*
 - b) 10% where the local planning authority wishes to demonstrate a five year supply of deliverable sites through an annual position statement or recently adopted plan, to account for any fluctuations in the market during that year; or*
 - c) 20% where there has been significant under delivery of housing over the previous three years, to improve the prospect of achieving the planned supply.”¹*
- 10. The Council’s previous five-year housing land supply position is set out within Appendix 1 of the Brentwood Local Plan 2016-2033. This identified a five-year land supply of 5.21 years.

¹ NPPF, paragraph 74 (<https://www.gov.uk/guidance/national-planning-policy-framework/5-delivering-a-sufficient-supply-of-homes>)

11. Using the housing requirement for the five-year period 2022/23 to 2026/27 of 1,800 as informed by the adopted Local Plan (2022), the council has updated the calculation of its five-year housing land supply (Appendix B). It confirms that the council has maintained a five-year housing land supply and that it can demonstrate a land supply of 6.9 years. The supply of deliverable sites is calculated as 3,306 dwellings (Appendix C).
12. The updated calculation accounts for shortfall (416) from the start of the plan period to 2021/22, which has been annualised over the remainder of the plan period (11 years) (2022/23 to 2032/33). This is known as the 'Liverpool approach' and is the same approach examined and set out in the local plan. It also includes a 20% buffer which is required as the Housing Delivery Test 2021 measurement for Brentwood was below 85%, meaning there has been significant under delivery of housing over the previous three years.

Housing Delivery Test 2022 position statement

13. The Housing Delivery Test (HDT) measures the number of new homes built over the previous three years against the borough housing requirement. Local planning authorities are required to take appropriate action where certain delivery target thresholds are not met. The consequences of failing the Test are set out in national planning practice guidance as follows:
 - a) the authority should publish an action plan if housing delivery falls below 95%;
 - b) a 20% buffer on the local planning authority's five-year land supply if housing delivery falls below 85%; and
 - c) application of the presumption in favour of sustainable development if housing delivery falls below 75%, subject to the transitional arrangements set out in paragraph 11 of the NPPF (July 2021).²
14. Previously the council has failed to meet the housing delivery requirements of the HDT and has been subject to the application of the presumption in favour of sustainable development where housing delivery falls below 75%. However, based on data submitted to the Department for Levelling Up, Housing and Communities (DLUHC) in September 2022 and calculated in accordance with the Housing Delivery Test Rule Book, Brentwood Borough Council's 2022 HDT measurement is anticipated to be 86%, as set out in Appendix D.

² NPPG, Paragraph 042, Reference ID 68-042-20190722, Revision date 22 July 2019 (<https://www.gov.uk/guidance/housing-supply-and-delivery>)

15. This is the council's first HDT following adoption of the new local plan, and which subsequently uses the newly adopted housing requirement figures. Whilst it is acknowledged that further improvement in housing delivery is still needed, the 86% result is an improvement on past performance.
16. It is important to note the HDT 2022 measurement (Appendix D) is yet to be published by DLUHC. Therefore, it is subject to final verification by DLUHC through the publication of the annual HDT results, expected in November 2022.
17. Regarding future decision-making, when the HDT 2022 measurement is formally published a significant difference arises in the consequences of the results from previous years and this year. As the most recent delivery is now in excess of 85% of the requirement, the application of NPPF Paragraph 11(d) presumption in favour of sustainable development no longer applies, nor does a requirement to provide a 20% buffer on the council's five-year housing land supply.

Specific Issues

18. Taken together, this monitoring update provides vital information about the effectiveness of local plan policies and the extent to which they are successful in achieving the council's strategic aims for the borough, as well as helping to inform policy directions in the local plan review.
19. The content of this report should be noted in line with its recommendation. The Council has a duty to secure a five-year land supply, which should be taken into account, together with the HDT measurement, when the Planning Committee is considering planning applications.

Consultation

20. None.

References to Corporate Plan

21. The Corporate Plan identifies priority areas, which include improving housing, and developing our communities. Monitoring housing delivery is a vital process in helping to achieve these priorities.

Implications

Financial Implications

Name/Title: Jacqueline Van Mellaerts, Corporate Director (Finance & Resources)
Tel/Email: 01277 312829/jacqueline.vanmellaerts@brentwood.gov.uk

22. There are no direct financial implications. Monitoring housing delivery and supply informs the council's annual budget setting process, among other things, in terms of both levels of income and service expenditure.

Legal Implications

Name & Title: Steve Summers, Strategic Director and Monitoring Officer

Tel & Email: 01277 312500/steve.summers@brentwood.gov.uk

23. There is a legal requirement for the council to monitor housing completions and the impact on the 'Five Year Land Supply' of sites for future housing, as set out in the NPPF.

Economic Implications

Name/Title: Phil Drane, Director of Place

Tel/Email: 01277 312610/philip.drane@brentwood.gov.uk

24. It is important that the council monitors housing delivery and supply, maintaining growth that meets local needs and contributes to the wider local economy.

Equality and Diversity Implications

Name/Title: Kim Anderson, Corporate Manager (Communities, Leisure & Health)

Tel/Email: 01277 312634/kim.anderson@brentwood.gov.uk

25. None

Other Implications (where significant) – i.e. Health and Safety, Asset Management, Risk Management, Section 17 – Crime & Disorder, Sustainability, ICT.

None

Background Papers

None

Appendices to this report

- Appendix A: Brentwood Monitoring Report, Housing Delivery 2021/22
- Appendix B: Five Year Housing Land Supply position statement at 1 April 2022
- Appendix C: Five Year Housing Supply Site Schedule, April 2022
- Appendix D: Planning Policy Note, Housing Delivery, Test 2022